



ANNUAL USE OF CAPITAL SURVEY - 2009

NAME OF INSTITUTION

(Include Holding Company Where Applicable)

THE GOLDMAN SACHS GROUP, INC.

Person to be contacted regarding this report:	David Viniar
CPP Funds Received:	\$10,000,000,000
CPP Funds Repaid to Date:	\$10,000,000,000
Date Funded (first funding):	10/28/2008
Date Repaid ¹ :	6/17/2009

RSSD: (For Bank Holding Companies)	2380443
Holding Company Docket Number: (For Thrift Holding Companies)	N/A
FDIC Certificate Number: (For Depository Institutions)	N/A
City:	New York
State:	New York

¹If repayment was incremental, please enter the most recent repayment date.

American taxpayers are quite interested in knowing how banks have used the money that Treasury has invested under the Capital Purchase Program (CPP). To answer that question, Treasury is seeking responses that describe generally how the CPP investment has affected the operation of your business. We understand that once received, the cash associated with TARP funding is indistinguishable from other cash sources, unless the funds were segregated, and therefore it may not be feasible to identify precisely how the CPP investment was deployed or how many CPP dollars were allocated to each use. Nevertheless, we ask you to provide as much information as you can about how you have used the capital Treasury has provided, and how your uses of that capital have changed over time. Treasury will be pairing this survey with a summary of certain balance sheet and other financial data from your institution's regulatory filings, so to the extent you find it helpful to do so, please feel free to refer to your institution's quarterly call reports to illustrate your answers. This is your opportunity to speak to the taxpayers in your own words, which will be posted on our website.

What specific ways did your institution utilize CPP capital? Check all that apply and elaborate as appropriate, especially if the uses have shifted over time. Your responses should reflect actions taken over the past year (or for the portion of the year in which CPP funds were outstanding).

<input type="checkbox"/> Increase lending or reduce lending less than otherwise would have occurred.	We are not a commercial bank and therefore do not have significant exposure to consumer lending, but we were able to deploy more capital in our role as a market maker and underwriter than might otherwise have been the case.
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<input type="checkbox"/>	<p>To the extent the funds supported increased lending, please describe the major type of loans, if possible (residential mortgage loans, commercial mortgage loans, small business loans, etc.).</p>	<p>Over 2009, we originated \$552m residential mortgage loans (including \$410m for refinancing and \$142m for new home purchases), \$630m commercial mortgage loans, \$636m consumer loans and \$56m small business loans.</p>
<input type="checkbox"/>	<p>Increase securities purchased (ABS, MBS, etc.).</p>	<p>As a market maker facilitating transactions for clients, we engage in a large volume of trading activities, both buys and sells, in mortgage and asset-backed securities. In 2009, we net sold \$167,954m of MBS and \$288m of ABS while facilitating transactions for our clients.</p>
<input type="checkbox"/>	<p>Make other investments</p>	<p>We are not a commercial bank and therefore do not have significant exposure to consumer lending, but we were able to deploy more capital to facilitate liquidity in our role as a market maker and underwriter than might otherwise have been the case.</p>
<input type="checkbox"/>	<p>Increase reserves for non-performing assets</p>	<p>We carry our inventory at fair value, which is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. Therefore, we do not have non-performing asset reserves.</p>

<input type="checkbox"/>	Reduce borrowings	Over 2009, we reduced total borrowings from \$259.6 billion to \$246.7 billion without using the money that Treasury invested under the Capital Purchase Program.
<input type="checkbox"/>	Increase charge-offs	We carry our inventory at fair value, which is the amount that would be received to sell an asset or paid to transfer a liability in an orderly trans-action between market participants. Therefore, we do not have charge-offs.
<input type="checkbox"/>	Purchase another financial institution or purchase assets from another financial institution	We did not purchase another financial institution or the majority of the assets of another financial institution.
<input checked="" type="checkbox"/>	Held as non-leveraged increase to total capital	Having reduced risk, we continued to reduce leverage and manage our financial and risk profile conservatively throughout 2009.

What actions were you able to avoid because of the capital infusion of CPP funds?

We are confident that we could have managed our own direct risk without government assistance, but we do not believe any financial institution could have survived a general market failure and financial system collapse. It was impossible to know at that time whether, absent some type of government initiative, markets were headed for widespread collapse. And so, we remain grateful for the actions the government took on behalf of the system. Goldman Sachs benefited from the general intervention of the government and therefore we think it is appropriate that taxpayers received a 23% annualized return (\$1.4 billion) on their 9-month investment in our firm, which has been fully repaid.

We raised additional capital of \$16.5 billion (excluding the government's investment under the TARP program), and increased our total shareholders' equity from \$42.8 billion in November 2007 to \$70.7 billion in December 2009 (a 65% increase).

What actions were you able to take that you may not have taken without the capital infusion of CPP funds?

N/A

Please describe any other actions that you were able to undertake with the capital infusion of CPP funds.

N/A